

Increased Cost of Compliance Checklist

Local floodplain administrators can help to ensure that eligible flood insurance policyholders collect Increased Cost of Compliance (ICC) benefits, comply with building codes and floodplain ordinances, and create safer homes and communities. Specific information is contained in *Increased Cost of Compliance Coverage: Guidance for State and Local Officials* (FEMA 301).

• ALL eligible properties:

- ☐ Advise the policyholder to file an ICC claim with their flood insurance agent.
- ☐ Review mitigation options that meet the required floodplain ordinances.
- ☐ Ask policyholder to get itemized cost or a signed estimate from a contractor for selected mitigation option.
- ☐ Issue a permit to implement the mitigation measure(s).
- ☐ Inspect the completed work and issue the policyholder a certificate of occupancy.
- ☐ Remind the policyholder to submit the Certificate of Occupancy to their insurance agent so that the second half of the ICC payment is paid to the policyholder.

• Additionally, for a substantially damaged property:

- ☐ Provide written determination that the structure is substantially damaged by flood.

• Additionally, for a repetitive flood loss property:

- ☐ Provide written evidence that the community has adopted a repetitive loss provision in its flood-damage prevention ordinance and that it was in effect on the second date of loss.
- ☐ Provide written evidence of a determination that the building has been repetitively damaged by flooding and repair is allowable only if it is brought into full compliance with all requirements of the community's floodplain ordinance.

• Additionally, for a community-sponsored mitigation project:

- ☐ Consider a mitigation strategy that takes into account all available options.
- ☐ Ensure that a flood-damaged building is not rebuilt in an area proposed for an acquisition or relocation project.
- ☐ Note that an ICC claim payment can be used as a non-Federal cash match when applying for FEMA mitigation funding sources such as the Hazard Mitigation Grant Program (HMGP), Flood Mitigation Assistance (FMA) program, and Pre-Disaster Mitigation Program.
- ☐ Tell policyholders that they can assign their ICC benefits to the community. If benefits are assigned to the community to integrate into the mitigation project, the community becomes responsible for submitting all of the appropriate paperwork.

